

PLUNDERSTORM AHEAD!

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IT IS the business of language to say what we mean; and it is a moral imperative to mean what we say.

Before this country embarked on a program of national socialism, and when there was a general acceptance of the idea that governments should have only *limited* powers and functions, economic and political terms, if uttered by one person, conveyed more or less of an accurate meaning to other persons.

Today, however, terms and phrases are used to obscure the truth and morality has been dangerously sacrificed for "practicality". Opponents of freedom, in this country as elsewhere, have preempted the language of freedom so extensively that we who attempt to speak on behalf of freedom now find it difficult to convey our meaning.

For instance, to speak of ourselves as "liberals," without a careful explanation of the term, is to classify us popularly as New Dealers and socialists, although the term originally meant lovers of liberty. To say that we advocate free competitive enterprise is to take a position verbally with Earl Browder and a host of other collectivists.

F. A. Hayek, in his recent masterpiece, "The Road to Serfdom",* referring to the methods of the Statists, has this to say:

"And the most efficient technique to this end is to use the old words but change their meaning. Few traits of totalitarian regimes are at the same time so confusing to the superficial observer and yet so characteristic of the whole intellectual climate as the

*American edition published by Chicago University Press, \$2.75.

complete perversion of language, the change of meaning of the words by which the ideals of the new regimes are expressed. . . . If one has not oneself experienced this process, it is difficult to appreciate the magnitude of this change of the meaning of words, the confusion which it causes, and the barriers to any rational discussion which it creates."

Perhaps then, in the light of this situation, we shall have to coin some new words and give them our own definitions. Anyway, I have coined the word *plunderstorm* to convey the impression of an impending disaster, a kind of disaster that no other word seems adequately to describe.

To understand what I mean by "plunderstorm" it is first necessary to refer to a word having a German derivation. The word is *plunderbund*.

"Plunder" is a familiar word. We have always had, do have and always will have individual acts of plunder. To suppress them we properly use the police powers of government.

The word *plunderbund* means a *Bund* of legalized plunderers. It is a league of commercial, political or financial interests that exploits the public, *legally*.

Putting Our Hands in Other People's Pockets

THE WORD "plunderstorm", as I use it, means a lot of simultaneous plunderbunds. It means lawful robbery of the mass type, in profusion.

Let me give you an example of a plunderbund in the making:

Some milk dealers in a western state are planning to go before the next session of their State Legislature with a proposal which they think will expand the consumption of their product. They would pass a law making it compulsory

for all milk dealers, big and little alike, to contribute to an advertising fund, the fund to be spent in accordance with the dictates of a legally established board. Many milk dealers who have chosen to build their business by the quality of their product or a slightly lower price would be compelled by this proposed measure to take part in an advertising program in addition to their own methods of business promotion. No doubt, by reason of these new costs their prices would have to rise and their quality drop to the level of the others, making the consumer foot the bill.

This league of dealers proposes that everybody shall pay the bill for somebody to tell everybody how much of somebody's product everybody should drink. In other words, these people propose to take the consumer's earnings, employing the police powers of government to acquire them, in order to use these earnings in ways which they think contribute to their welfare. They propose to better their own position by legal plunder.

Does this sound comical? Absurd? The kind of a thing that only some promotion-minded Westerners could conjure up? Let's be cautious in our answers. Conceivably, we might pass judgment against ourselves. For who knows? Perhaps the man to your right or to your left is also a plunderbundist. It is even possible that you may be a plunderbundist yourself, in one way or another.

Plunderbundism, today, is an American institution. It is an American institution by reason of its general prevalence, by reason of the millions who are both its perpetrators and its victims, and by reason of its broad acceptance as an instrument of national economic policy. Plunderbundism is so pervasive that it now looms in the economic skies as a plunderstorm.

I hope I have made it clear how to recognize a plunderbund. But how does one recognize a plunderbundist? It isn't at all difficult, although

he comes in every conceivable variety. A plunderbundist is one who advocates legal plunder in one or more of its many forms. *Legal plunder is the act of using the law to exact wealth from him who has acquired it, without his consent, and without compensation, and passing it on to him who has not produced it.*

Parenthetically, it may be said that there are three ways of making a living. First, a man may grow or make what he wants, or he may grow or make what can be exchanged for what he wants. This is work, and the results show up slowly. Secondly, he may get a gun and rob others of their possessions. This is risky business. Thirdly, he may form or join a political party or pressure group to vote money for himself and his friends. This is plunderbundism and its practitioners are plunderbundists.

When Plunder Is Legal

THIS LATTER device is the modern and easy way to make a living. It legalizes robbery and makes it respectable.

Let's indulge in a few examples:

The sugar beet growers demand and receive protection and a subsidy from all of the American people, although the cost of this aid at times has been greater than the total value of sugar beet production.

The silver miners have long succeeded in getting the Federal Government to pay an artificially high price for silver. The difference between what would be the price for silver on a free market and the price the government pays is the amount of the subsidy. The subsidy is paid by the American people, the benefit accruing to the producers of silver.

People, instead of minding their own business, concern themselves about my old age. They really worry about whether or not I am going to

save enough. Many of them, not being able to do too good a job even in their own affairs, propose to assure my sexa-, septua-, and octogenarian welfare. Their method is, first, to compel me to save from my own account, second, to compel my employer to save from his account for me, third, to make up the balance communistically from the purse of everybody else and, fourth, to give these savings to the Federal Government which, in turn, spends the funds on any one of thousands of projects, from maintaining prices for farmers to paying OPA functionaries to keep restaurants from serving too much food too cheaply. This is called "social security." I call it one of the fanciest pieces of plunder yet devised. Have you opposed this? If you let a man drown when you could have saved him, does not some guilt attach to your person?

Does your product bear a higher price than it otherwise would because of the protective tariff, and is the tariff applied for no other reason than to make this higher price possible? Then you are using the law to plunder other citizens—by reducing the purchasing power of their earnings.

Do you propose that government take other people's money and make loans to help *your* business—to finance your exports by a World Bank, to stimulate home demand for your products by building unneeded postoffices and dogpounds, to raise prices by buying surpluses, or to save you from your own recklessness in borrowing or lending? Much of this money is never paid back and never intended to be paid back; it is plunder, pure and simple. But even if every cent were paid back, these loans would still represent merely another form of plunder. The funds thus loaned are obtained by the force of taxation or by the fraud of inflation. They are taken from other uses for which the rightful owners had intended them. What are these but forced loans, more plunder in the plunderstorm?

Are You a Plunderbundist?

THIS IS the center of a great farming section. Have you advocated government-supported parity prices for agricultural products? Then you also are a contributor to the plunderstorm which now darkens our future.

Suppose a carpenter should make an agreement with a builder in St. Louis to do a certain type of work for not less than twenty dollars per day, and suppose by reason of that single agreement the law of Missouri dictated that no carpenters should thereafter do that type of work in your state for a less amount. Wouldn't this encourage and protect monopolistic plunderbunds? Yet, if you are an advocate of the so-called Fair Trade laws you sponsor that identical principle.

Have you been a chamber of commerce socialist? That is, have you voted for your Kansas City Chamber to seek money from the Federal Government for projects that would primarily benefit you and your section? Then you are a plunderbundist.

Have you asked your City Council to take some of everybody's money to do something that was not of benefit to everybody? If so, be careful about taking out after other plunderbundists.

Labor unions use the force of government, as well as legally sanctioned intimidation, to exact uneconomically high wage rates. Thus they raise costs of living and reduce opportunities for their fellow-citizens, including other wage earners. Again, just plain plunder.

More illustrations would be easy to find but they seem unnecessary. Other monopolists, restrictionists and share-the-wealth "reformers", deserving mention as much as those I have used as examples, are to be found on every hand.

Moreover, our plunderstorm economy is a matter of common knowledge. The many plun-

derbunds which go to compose the plunderstorm have become sacred cows which none but the most reckless politician or public figure dares attack. All the signs point to a long and successful run for these legalized rackets until the mounting plunderstorm reaches hurricane proportions. Why is this? Whence comes this plunderstorm? Why is it continually growing in violence and destructive power?

Reasons for the Plunderstorm

IT SEEMS to me there are several reasons.

The first reason is a deep-rooted conviction on the part of millions that they have, by reason of their existence on this earth, a *right* to share in the property of others. The idea that this is a wholly immoral notion has never occurred to most of them. It hasn't occurred to them any more than it has occurred to efficient monopolists, restrictionists or protectionists that they are destroying the property rights of others.

Perhaps you have taken care of an unfortunate relative over an extended period of time. If so, have you noticed how soon this care is taken for granted as a right?

On occasion, bankers accommodate customers by honoring their overdrafts. How quickly most customers regard this gesture of good will as a right can be attested to by any banker who has seen fit to call a halt to careless repetitions of the practice.

A second reason for the plunderstorm is that one plunderbund creates an appetite for another and another. As one group achieves temporary security by the guarantee of fixed wages or prices it increases the insecurity of other groups by increasing tax burdens, raising living costs and reducing opportunities for employment. Chambers of Commerce say, "Our community must pay for government's leaf-raking expenditures in

other communities. Therefore, we should get our share of the spending to help us pay for the relief projects elsewhere."

Farmers say, "The city producers have their tariffs, monopolies and trade-union restrictions of output. Therefore, we need crop controls and subsidies to enable us to pay the higher prices resulting from the special privileges of those who produce the goods we farmers must buy."

The result is this group-thirst for political plunder. It becomes the pig-trough philosophy of economic behavior.

For this situation there is no cure at all except to re-establish in the minds of people the normal boundaries of personal right. The present situation calls for an understanding of where personal rights end and infringement on the rights of others begins.

The third reason for this plunderstorm is the fallacious assumption that old people would live in poverty if we didn't have public pensions; that we would have a shortage of sugar without subsidies; that silver would not be mined without artificial prices; that agriculture would perish without parity; that home towns would have no improvements without Federal hand-outs; that manufacturing would cease without protection; that wages would be pittance without minimum wage laws; that young folks would go unschooled without public education; that the mails would not arrive short of government delivery.

Plunderbunds Are Blessings?

NOW, EVEN NOW, in spite of overwhelming evidence to the contrary, there are millions who believe that the blessings of electrical energy have been brought about by the Federal Government's invasion of this field with its TVAs. When the Government, following its present trend, has finally completed its usurpa-

tion of all public utilities, one will hardly dare to question the notion that these conveniences would be impossible were the Government not conducting them. To dare to intimate that these utilities might be owned and efficiently operated privately will be quite like advocating, today, the possibilities of private education and private saving for one's old age. It will be suggested that you do not understand the "dynamics" of a modern economy; that your thinking originates from pioneer and agricultural days; that we *now* have an industrial and an urban society; that you should "bring yourself up to date."

A fourth reason for this plunderstorm is a conviction, as deeply rooted as the others, that plunderbundism is good economics.

It is assumed, largely in ignorant sincerity, that one group can take from another group and benefit not only the group which takes, but also the group which is taken.

The pension people say, "Give us pensions which, of course, will benefit us, but you who are forced to give will also benefit because we shall spend our money for your goods and services."

The farmers say, "Pay us parity prices, or incomes, so that we can buy the products of the city."

The monopolists say, "Assure us high prices and we can pay high wages."

Labor union leaders argue, "Pay us high wages and lots of social security benefits, and we can buy more of the products of industry."

Accepting this as a correct theory I can enter your store, hold you up at the point of a gun, take the money from your cash drawer and logically contend that I am benefiting you because I shall spend all the money for your merchandise.

This is the famous "purchasing-power" theory, perhaps the most mischievous economic notion

in circulation. It has captured Federal officialdom, it is the foundation for The Townsend Plan, for Ham and Eggs and for the many vast spending-programs originating along the Potomac.

How do people reason in order to arrive at the conclusion that we can be enriched by paying Government a huge overhead to take from all of us and give to some of us, or even to most of us? This merry-go-round in economic thinking is too confusing for me. Yet there can be no question of the fact that millions of our fellow citizens accept this idea as gospel truth.

The plunderstorm economy, therefore, originates in four false assumptions, namely: (1) that people have *rights* to the property of others; (2) that special privileges and legalized racketeering by one group justify pursuit of the same ends by every other group; (3) that special privileges are a necessary price of production or progress; and (4) that taking other people's property is good for the exploited as well as the exploiters.

What has been the result? In the hope of plundering more from others than others succeed in plundering from us, we have voted away the inestimable benefits for which government and law were originally instituted.

Law Should Protect, Not Rob

WE FOUNDED our government and wrote our law on the premise that the individual citizen has certain inalienable rights and that government and law should protect these rights. But let me quote Frederic Bastiat, the brilliant French economist and social philosopher of a century ago:

"The law is the organization of the natural right of lawful defense; it is the substitution of collective for individual forces, for the purpose of acting in the sphere in which they

have a right to act, of doing what they have a right to do, to secure persons, liberties, and properties, and to maintain each in its right, so as to cause justice to reign over all. . .

"Unhappily, law is by no means confined to its own department. Nor is it merely in some indifferent and debatable views that it has left its proper sphere. It has done more than this. It has acted in direct opposition to its proper end; it has destroyed its own object; it has been employed in annihilating that justice which it ought to have established, in effacing amongst Rights, that limit which was its true mission to respect; it has placed the collective force in the service of those who wish to traffic, without risk, and without scruple, in the persons, the liberty and the property of others; it has converted plunder into a right, that it may protect it, and lawful defense into a crime, that it may punish it."*

While it is perfectly obvious that we should restore government and law to their proper functions, limit them as we originally intended they should be limited, it is equally obvious that this is now impossible until false ideas are removed, those false ideas which brought about the perversion of government.

As long as people entertain these false ideas about rights and property, so long will they seek their fulfillment through government and the law. When they use the government and the law for these purposes they are embarked on the road of communism. If we are a party to these purposes we are supporters of communism. Calling ourselves Republicans or Democrats and vowing hatred for everything communistic does not alter the fact in the slightest. The plunder-storm economy *is* communism.

*Excerpted from *The Law*, an essay by Frederic Bastiat. Recently reprinted in a 64-page booklet by Pamphleteers, Inc., 1151 S. Broadway, Los Angeles. \$.50.

When a nation is in the grip of a plunderstorm, elections are held merely to decide which party can offer the most attractive forms of plunder and the most effective administration of the plunderbund machinery.

The courses of action open to us are three in number.

The first is frankly to acknowledge that the American ideal of a government of *limited* powers and functions, and a government as the servant of the people, is only an unattainable ideal. Confess that it isn't worth working for, anyway. Take a stand for the Totalitarian State, the government that is the *master* of the people. Assist in getting all the people and all the instruments of the economy under the control and the operation of the government.

The second course of action is just to let yourself go. Use the same effort you would to shut your eyes and fall down an elevator shaft. Keep silent about your doubts and fears. Or else, play the expedient game. Compromise! Proclaim that you have faith in the American people while you haven't even faith in being able to do anything about America yourself. Be like Nero and fiddle while Rome burns; in other words, be an optimist while the whole edifice in which you had your opportunity topples on your children's heads. Boldly believe that a happy, prosperous, postwar America can be created with our present plunderstorm economy as a premise. Make your postwar plans with confidence and, like the ostrich, with your head in the sand, ignore the hard, cold facts of monetary instability and the unprecedented unbalance between existing purchase orders* and available goods and services. Confront yourself with the idea that we will out-produce all the fictitiously created money of the

*Bank deposits and currencies.

past decade. Be wishy-washy: Practice the life of a plunderbundist, but give lip service at every opportunity to free competitive enterprise and "the American Way of Life." Comfort yourselves with the notion that you can enlighten the so-called "masses" with catch phrases, and thus save the nation, while you support by word and deed policies that are undermining the foundations of everything honest and right.

"Firmness in the Right . . ."

THE THIRD course of action is the difficult one. Assuredly, it is the unpopular and, largely, the unpracticed one. It is, in fact, swimming against the current. It calls, first, for a personal conviction respecting the individual and his responsibility for his own welfare. It calls, secondly, for a perfection of the individual—oneself. It calls for the virtuous man: that is, the man who is industrious, thrifty and of good faith; the man distinguished by self-respect, self-reliance and self-control; the man who aspires to wisdom and who prizes a reputation for reliability. The virtuous man is a moral man, which is to say, the man who puts being right ahead of any and all supposed expediencies, whether laboring as a farm hand or running for the presidency of the United States. The virtuous man is a good sport, asking only for a fair field and no favors.

This course of action requires men who seek popularity with the ages, not with the moment—men who seek approval only of their God, their consciences and of those few of their fellowmen whose judgments they respect.

This course of action needs men who perceive that general enlightenment begins with their own personal enlightenment; that they can be-

come influential in any beneficial way only as their own understanding is superior in its quality. They think they should learn for themselves rather than impose their unwisdom on others.

This course of action demands men who will acquire ability to expose the fallacies of socialism and who will strive to know how to reduce rather than increase the use of coercion and restrictionism in our relations with one another.

In every field where arbitrary authority is imposed they will inquire how it may be removed and replaced by a reliance on the initiative and enterprise of individual citizens.

This course of action calls for volunteers who will never give their consent to further extensions of the plunderstorm economy, to the "Welfare State" idea. It calls for men who will aim to destroy the inroads already made; but, at the same time, for men who are realists enough to know that perfection in freedom is only possible as individuals, themselves, become perfected. These patriots will stand against wrong even though they cannot see the time when right will triumph.

This course of action requires men who, in their voluntary organizations, chambers of commerce, trade associations and service clubs, will have little concern for the popularity of these organizations, who won't even insist on their survival, but who will demand that their actions and policies be right.

This course calls for men who would be free of immoral, arbitrary power. It calls for men of action, men who see that proper action is not in the physical removal of opponents but rather in the removal of bad ideas.

Action, in this sense, is in logical thinking and words: in the spread of good ideas through free debate. It is pursuit of wisdom. It is love of virtue. And in the words of Abraham Lincoln it is

*"firmness in the right as God
gives us to see the right."*



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